

## Portfolio Management



### Ivka Kalus

Partner and Co-Founder  
Chief Investment Officer  
Portfolio Manager

### Joe Sylvester

Partner and Co-Founder  
Director of Research

### Ashraya Dixit

Associate Portfolio Manager

### Jonathan Kabeya

Investment Analyst

Promethos Capital is a 100% employee-owned and majority women-owned institutional investment firm. Promethos is the Promise of Ethos contained in our mission to invest with goals aligned with those of our clients.

## Strategy Characteristics

**Inception** September 1, 2019

**Benchmark** MSCI World

**Position Size** 5% Maximum

**Holdings** 45-65

**Active Share** >90%

**Sector** +/-5%

**Region** +/-5%

**Top 10 Holdings** <40%

**Market Cap** Multi (Large & Mid)

**Tracking Error** 3%–5%

**Beta** ~1.0

**Style** Core

## An active approach to Climate Resilience investing

### Investment Strategy

The Climate Resilience Strategy aims to:

- Deliver returns in excess of MSCI World Index in a risk-controlled framework
- Minimize exposure to carbon emissions, fossil fuel emissions, and to revenues from fossil fuel power generation in a broadly diversified portfolio
- Increase exposure to climate-resilient business activities
- Provide exposure to green revenue, climate adaptation activities, and UN Sustainable Development Goals

### Characteristics of Portfolio

#### Diversity\* / Inclusion

- Gender and inclusion policies
- Women in leadership

#### Sustainability

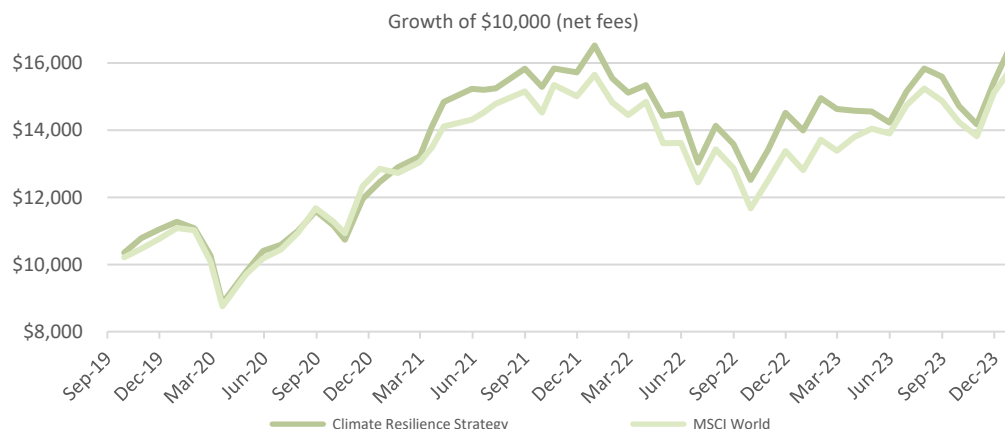
- Disclosure
- Governance
- Risk

#### Environmental Care

- GHG emissions
- Environmental Care
- Future temperature rise impact

| Impact Results*            | Portfolio | Universe | % Better |
|----------------------------|-----------|----------|----------|
| Board Diversity            | 39%       | 27%      | 46%      |
| Executive Diversity        | 31%       | 22%      | 41%      |
| C Suite Diversity          | 36%       | 15%      | 136%     |
| ESG Disclosure             | 61        | 46       | 34%      |
| ISS Governance             | 3.0       | 4.8      | 39%      |
| Sustainalytics Risk        | 18        | 22       | 18%      |
| S&P Global Env Rank        | 86        | 56       | 54%      |
| Scope 1 GHG/Revenues       | 51        | 305      | 83%      |
| Scope 2 GHG/Revenues       | 34        | 41       | 16%      |
| SBTi 2030 Temperature Rise | 1.3       | 2.0      | 36%      |

Source: Bloomberg. \*Diversity data is based on gender



|                            | QTD    | 1-year | 3-year* | Since inception* |
|----------------------------|--------|--------|---------|------------------|
| Climate Resilience - Gross | 12.84% | 19.12% | 10.55%  | 12.94%           |
| Climate Resilience - Net   | 12.70% | 18.53% | 10.01%  | 12.38%           |
| MSCI World - Net           | 11.42% | 23.79% | 7.26%   | 11.23%           |
| Excess return - Net        | 1.29%  | -5.26% | 2.74%   | 1.15%            |

\*Annualized

The chart above represents the growth of a hypothetical investment of \$10,000. All performance figures are net returns and assume reinvestment of all income unless otherwise noted. This chart is not intended to imply any future performance.

## Risk Management Goals

- Mitigate unintended risk and exposure
- Manage concentration risk
- Diversify across multiple dimensions including sector, region, factor, theme
- Focus on stock selection as key driver of alpha
- Build risk/reward matrix around client-defined investment objectives

**Promethos Investment Process-** Our active investment process is built to adapt to constantly changing market opportunities. We integrate fundamental and sustainability analysis, big data tools, and thoughtful risk management to build concentrated portfolios of companies with long term return potential.

## Investment strategies:

- International
- International EAFE
- Global
- Global Climate Resilience
- Global Small Cap Gender Forward

Promethos Capital

(617) 535-9240

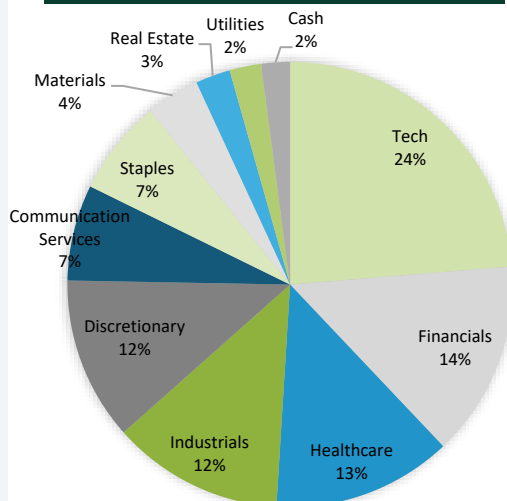
[www.PromethosCapital.com](http://www.PromethosCapital.com)

Signatory of:

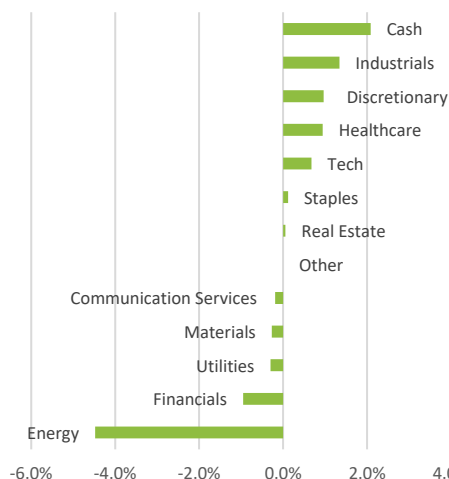


© 2024 Promethos Capital

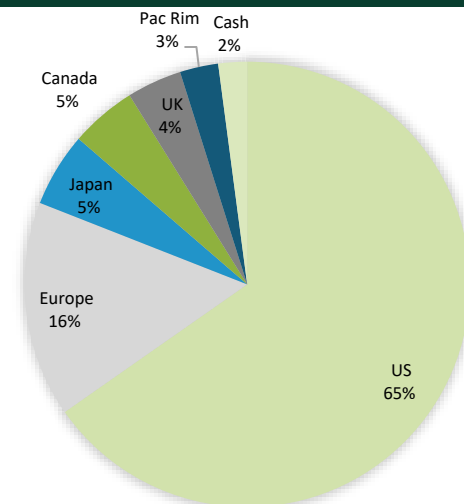
## Sector Composition



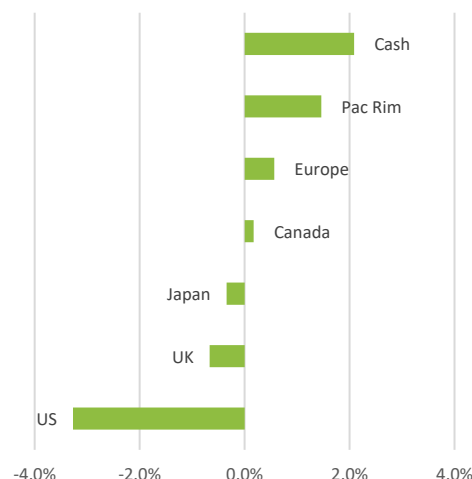
## Active Sector Weights vs Benchmark



## Regional Composition



## Active Regional Weights vs Benchmark



## Portfolio Characteristics

|                    |            |
|--------------------|------------|
| Wtd Avg Market Cap | \$236.0 bn |
| Price/Book         | 3.8        |
| Holdings           | 43         |
| Dividend yield     | 2.6%       |
| Price/Earnings     | 15.1       |

## Top 10 Holdings (%)

|                        |      |
|------------------------|------|
| MICROSOFT CORP         | 4.73 |
| OWENS CORNING          | 3.64 |
| TOPBUILD CORP          | 3.54 |
| BROADCOM INC           | 3.35 |
| ABBVIE INC             | 3.10 |
| TOKYO ELECTRON LTD     | 2.93 |
| LAM RESEARCH CORP      | 2.82 |
| MASTERCARD INC - A     | 2.80 |
| FORTESCUE LTD-SPON ADR | 2.79 |
| PROCTER & GAMBLE       | 2.76 |

**Respect, Diversity, Intellectual Curiosity & Rigor, Objectivity and Humility**

All data as of December 29, 2023 unless otherwise noted

# Global Climate Resilience

## Disclosures:

Promethos is a fee-based, U.S. Securities and Exchange Commission ("SEC") registered advisory firm serving the portfolio management needs of institutional and high-net worth clients. Registration with the SEC or any state securities authority does not imply a certain level of skill or training. Data quoted is past performance and current performance may be lower or higher. Past performance is no guarantee of future results. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. The currency used to express performance is USD. Returns are presented gross and net of management fees and include the reinvestment of all income. Gross-of-fee returns are reduced by trading costs. Net of fee performance was calculated using actual fees charged by account. Actual investment advisory fees incurred by clients may vary.

The MSCI World Index captures large and mid cap representation across 23 Developed Markets (DM) countries\*. With 1,546 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country. Index performance is discussed for illustrative purposes only as a benchmark for each strategy's performance and does not predict or depict performance of that strategy. While index comparisons may be useful to provide a benchmark for a strategy's performance, it must be noted that investments are not limited to the investments comprising the indices. Each of the strategy benchmark indices are unmanaged and cannot be purchased directly by investors.

Principles for Responsible Investment ("PRI") is an industry leading proponent of responsible investment. It works to understand the investment implications of environmental, social and governance (ESG) factors and to support its international network of investor signatories in incorporating these factors into their investment and ownership decisions. The PRI acts in the long-term interests of its signatories, of the financial markets and economies in which they operate, and of the environment and society as a whole.

## Impact Results table – Definitions

Board Diversity: Percentage of Board Members that are Women. Executive diversity: Percentage of Executive Team Members that are Women. C-suite Diversity: Percentage of C-Suite level (CEO, CFO and COO) Members that are Women. ESG Disclosure: Proprietary Bloomberg score based on the extent of a company's Environmental, Social, and Governance (ESG) disclosure. ISS Governance: ISS' Governance QualityScore assigns a numeric, decile-based score indicating corporate governance risk relative to other companies in the applicable index or region. Scores 1 to 10 – 1 is better. Sustainalytics Risk: Offers clear insights into company-level ESG risk by measuring the size of an organization's unmanaged ESG risk. Lower is better. CDP: Reflects the level of company commitment to climate change mitigation, adaptation, and transparency. Scores 1-8 – 8 is better. S&P Global Env Rank: Total Sustainability rank, converted from the total sustainability score, based on the RobecoSam Corporate Sustainability Assessment. Scope 1 GHG/Revenues: Ratio of total emissions which are directly related to the activities of the company, to sales revenue. Scope 2 GHG/Revenues: Ratio of total emissions which result from the generation of electricity purchased by the company, to sales revenue. SBTi 2030 Temperature Rise: From Bloomberg and Science Based Targets initiative (SBTi), temperature scores that translate corporate greenhouse gas emission reduction forecasts into implied temperature changes expressed in degrees Celsius. Temperature Rise Disclosure: % of companies providing data to compute SBTi 2030 Temperature Rise.

Promethos claims compliance with the Global Investment Performance Standards (GIPS®). To receive a GIPS report, please contact [info@Promethoscapital.com](mailto:info@Promethoscapital.com).

GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

Attribution information is based on Bloomberg portfolio analytics.